



APPLICATION FOR APPROVAL of a Major Renovation

PLEASE DO NOT WRITE IN THIS SPACE

NAME AND ADDRESS OF GENERAL CONTRACTOR		NAME AND ADDRESS OF RENOVATION PROJECT	
<input type="checkbox"/> If there is not a general contractor, check this box and enter name and address of the project owner.		Name of Project	
Name of General Contractor (or Name of Project Owner)		Address of Project	
Address		City	State Zip Code
City	State Zip Code	Type of Renovation Project	
E-mail Address		<input type="checkbox"/> Commercial or Industrial Building <input type="checkbox"/> Unit of Commercial or Industrial Building	
Telephone or Cellular Number		Nebraska Identification Number	Approximate Total Construction Costs
Expected Beginning Date of Renovation Project		\$	
Expected Completion Date of Renovation Project			
Name and Address of Nebraska Licensed Architect or Engineer			

Provide a Description of the Project; include information on how the walls will be affected or altered

A NEBRASKA LICENSED ARCHITECT OR ENGINEER MUST COMPLETE THESE QUESTIONS AND SIGN ON THE REVERSE SIDE			
1	How many floors are in the existing building?	_____	
2	How many floors in the existing building will be renovated?	_____	
3	Will walls be moved, added, removed, or have their attached wall coverings (sheetrock or other similar materials) replaced?	YES	NO
4	In completing lines 5 through 9:		
	• Are the calculations based on the floor plans before or after the renovations?	BEFORE	AFTER
	• Did you determine the square footage and perimeter of each room separately?	YES	NO
	• In determining the total wall length in each room that will be altered or affected, did you include only the actual wall length that will be moved, added, removed, or that will have at least one-half of the height of its attached wall covering replaced?	YES	NO
	• Did you include in your calculations only permanent walls that will be altered or affected?	YES	NO
5	Enter the total square footage of all floors in the existing building or unit including the basement, storage areas, and all common areas (exclude garages)	_____	
6	Multiply line 5 by seventy-five percent (.75) and enter the result here	_____	
7	Enter the square footage of those rooms in the existing building or unit that are being renovated	_____	
	• Did you include the square footage of a room only if at least one-half of the length of the walls in the room will be altered or affected?	YES	NO
8	If a fixture in the existing building or unit is replaced or reconfigured, enter the square footage of the area under the fixture, provided the square footage is not already included on line 7. If none, enter -0-	_____	
9	Enter the total of lines 7 and 8	_____	

If line 9 is less than line 6, STOP. The contractor labor in this project is TAXABLE. This Application for Approval should not be submitted to the Nebraska Department of Revenue.

If line 9 is equal to or greater than line 6, continue on the reverse side for signatures by the architect or engineer and the general contractor or project owner.

Under penalties of law, I declare that I have examined lines 1 through 9 of this Application for Approval, and to the best of my knowledge and belief, they are correct, complete, and supported by designs, plans, specifications, or other materials, signed by a Nebraska licensed architect or engineer, that indicate the extent of the renovation, the work that is planned to be performed, and the square footage of the floor space that is to be renovated.

**sign
here** ▶

Signature of Nebraska Licensed Architect or Engineer

Registration Number

Date

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Telephone or Cellular Number

E-mail Address

GENERAL CONTRACTOR OR PROJECT OWNER USE ONLY

The contractor labor charges performed in connection with this renovation project are taxable until this Application is approved by the Department of Revenue. You need to provide a copy of this approved Application to the architect or engineer and to the project owner. The approved Application does not apply to work performed by those persons merely installing or repairing tangible personal property. Such persons are not performing contractor labor and their labor charges are taxable.

The information provided in this Application is subject to review and audit by the department.

Under penalties of law, I declare that I have examined this Application for Approval, and to the best of my knowledge and belief, it is correct and complete.

**sign
here** ▶

Signature of General Contractor or Project Owner

Title

Date

()

Telephone or Cellular Number

Mail this application and \$500 nonrefundable fee to: **NEBRASKA DEPARTMENT OF REVENUE,
P.O. BOX 98903, LINCOLN, NE 68509-8903**

DO NOT INCLUDE THE DESIGNS, PLANS, OR SPECIFICATIONS WITH YOUR APPLICATION.

APPLICATION APPROVAL — DEPARTMENT USE ONLY



The Nebraska Department of Revenue Approves Your Application.

Confirmation Number _____

Approved By _____

Date _____

CERTIFICATION OF COMPLETION — ARCHITECT OR ENGINEER USE ONLY

This Certification of Completion must be signed and mailed to the department within 60 days **AFTER** the completion of the renovation project.

CAUTION: If you cannot certify that the project was completed in substantial conformity with the original plans, you must file an amended application (see instructions).

I hereby certify that the renovation project as described in this Application was completed in substantial conformity with the original designs, plans, specifications, or other materials.

**sign
here** ▶

Signature of Nebraska Licensed Architect or Engineer

Registration Number

Date

Mail to: **NEBRASKA DEPARTMENT OF REVENUE, P.O. BOX 98903, LINCOLN, NE 68509-8903**

Visit our Web site: www.revenue.ne.gov, or call 1-800-742-7474 (toll free in NE and IA) or 1-402-471-5729.

INSTRUCTIONS

APPLICATION. The purpose of this Application is to assist the department in determining whether the contractor labor charges performed in connection with the renovation project as described in this Application will be exempt from tax.

WHO MUST FILE. The general contractor or, if there is no general contractor, the project owner must submit this completed Application for Approval with the \$500 nonrefundable application fee when renovating a **commercial or industrial building or unit of a commercial or industrial building.** A commercial or industrial building means any building other than a single-family dwelling or duplex.

The general contractor or project owner may still submit this Application for Approval with the \$500 nonrefundable application fee when renovating a **single-family dwelling or duplex.** Note, however, a no-fee Notification process is available for single-family dwelling or duplex renovations. See “Information for Contractors” section on our Web site if you choose to file the no-fee Notification.

The completed and signed Application should only be submitted if at least 75 percent of the square feet of a building or unit of a building will be renovated. The Application and the \$500 nonrefundable fee should be mailed to the Nebraska Department of Revenue, P.O. Box 98903, Lincoln, NE 68509-8903. **The designs, plans, or specifications should not be mailed with the Application, but must be available for review if requested.**

A separate Application must be submitted for each building or unit of a building being renovated.

BUILDING. Building means any freestanding structure annexed to land, enclosed within a roof and exterior walls, regardless of whether enclosed on all sides.

UNIT. Unit means a physical portion of a building designated for separate ownership, rental, or occupancy.

RENOVATION. The renovation of an existing building or unit of a building must involve the rehabilitation, replacement, or reconfiguration of permanent walls or fixtures.

The mere replacement of floor coverings (such as carpet, wood, tile, linoleum, etc.), wall coverings (such as paint, paneling, wallpaper, and other items not directly attached to the supporting members of a wall), ceilings, trim, window treatments, exterior siding, a roof, or the painting of a building do not qualify as a renovation.

A permanent **wall** consists of the supporting members such as studs, plates, headers, trimmers, associated

blocking, and sheetrock or other similar material that is attached directly to the supporting members. A permanent wall does not include panels or movable or relocatable full-height walls.

A **fixture** is a piece of equipment that must be annexed to the building or structure in order to properly function, yet remains identifiable as a separate item. Examples of fixtures are central air conditioners, hot water heaters, garbage disposals, built-in dishwashers, furnaces, and light fixtures.

ALTERED OR AFFECTED means adding new walls, moving, removing, reconfiguring supporting members of existing walls, or replacing at least one-half of the height of the wall covering (sheetrock, windows, or other similar materials) that is attached directly to the supporting members of existing walls.

SQUARE FOOTAGE CALCULATION

LINE 5. Enter the total square footage of all floors in the existing building or unit including the basement, storage areas, and all common areas in the building or unit. The square footage of a garage that is part of the building cannot be included in line 5.

LINE 7. Each room in the building or unit must be analyzed to determine whether the square footage of the room can be counted as part of the renovation project. To determine whether the square footage of a room can be included, add together the length of each segment of wall that is altered or affected. If at least one-half of the total length (perimeter) of the walls in a room are altered or affected, the square footage of that room can be counted as being renovated. Add together the square footage of each room being renovated and enter the total on line 7.

Example: A room measures 10 feet by 12 feet and has an 8 foot ceiling. The perimeter of the room is 44 feet and the total square footage of the floor area is 120 square feet. Wall #1 is 10 feet in length and has a 4 foot high by 5 foot long section of sheetrock replaced; wall #2 is 12 feet in length and the entire wall is moved; wall #3 is 10 feet in length and has a 5 foot long by 8 foot high section of the wall studs replaced; wall #4 is 12 feet in length and has a 2 foot high by 8 foot long section of sheetrock replaced. The altered or affected length of the walls in the room totals 22 feet (5 feet, plus 12 feet, plus 5 feet). The rest of the walls are not altered or affected. Therefore, one-half of the perimeter of the walls in the room are altered or affected and the total square footage of the room (120 square feet) is counted and included in the total on line 7.

LINE 8. The area under a fixture may only be counted and included in line 8 if the fixture is replaced or reconfigured and the area under the fixture has not already been included in line 7 as part of the square footage of a room that qualifies as part of the renovation. The area of a fixture is limited to the area under the fixture, even if the fixture provides heating, cooling, lighting, or other service to the entire building.

Example: A room contains a replaced light fixture that measures 2 feet by 4 feet. The 8 square foot area under the light fixture can be counted and included in line 8 only if the square footage of the room was not included in line 7.

LINE 9. If the total square footage of the rooms and fixtures renovated (line 9) is equal to or greater than the total square footage calculated on line 6, then all contractor labor performed in connection with the renovation project is exempt.

SIGNATURES. A Nebraska licensed architect or engineer must sign this Application. The signed Application should be returned to the general contractor or project owner for his or her review and signature.

DESIGNS AND PLANS. The designs, plans, specifications, or other materials prepared for this renovation project must support the information provided in this Application. They must be available for review if requested.

APPROVAL. If the Application is approved, the department will assign a confirmation number as indicated on the approved Application and return it to

the general contractor or project owner. The general contractor or project owner must give a copy of the approved Application to the architect or engineer.

The approved Application does not apply to those persons merely installing or repairing tangible personal property. Such persons are not performing construction services (contractor labor) and their labor charges are taxable.

ARCHITECT'S OR ENGINEER'S CERTIFICATION OF COMPLETION. Within 60 days after the completion of the renovation project, the Nebraska licensed architect or engineer must certify that the renovation project was completed. If the renovation project was completed in substantial conformity with the original plans, the Nebraska licensed architect or engineer must sign the Certification of Completion on the reverse side of the Application for Approval, and mail it to the Nebraska Department of Revenue, P.O. Box 98903, Lincoln, NE 68509-8903.

If the renovation project was not completed in substantial conformity with the original plans, a Nebraska licensed architect or engineer must file an amended Application for Approval within 60 days after completion of the renovation project. To file an amended Application, write "AMENDED" at the top of the Application, complete the amended Application and, after completing lines 1 through 9, affix your signature to the Certification of Completion, attach a copy of the original Application, and mail it to the department at the address indicated above. There is no application fee when filing an amended Application.